



General Assembly

February Session, 2010

**Amendment**

LCO No. 4856

**\*HB0536504856HR0\***

Offered by:

REP. RIGBY, 63<sup>rd</sup> Dist.

REP. NARDELLO, 89<sup>th</sup> Dist.

REP. WILLIAMS, 68<sup>th</sup> Dist.

To: Subst. House Bill No. 5365

File No. 450

Cal. No. 255

**"AN ACT CONCERNING ELECTRIC DISTRIBUTION COMPANIES."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subdivision (2) of subsection (j) of section 16-244c of the  
4 general statutes is repealed and the following is substituted in lieu  
5 thereof (*Effective from passage*):

6 (2) Notwithstanding the provisions of subsection (d) of this section  
7 regarding an alternative transitional standard offer option or an  
8 alternative standard service option, an electric distribution company  
9 providing transitional standard offer service, standard service,  
10 supplier of last resort service or back-up electric generation service in  
11 accordance with this section shall, not later than July 1, [2008] 2011, file  
12 with the Department of Public Utility Control for its approval one or  
13 more long-term power purchase contracts from Class I renewable

14 energy source projects comprised of twenty-five megawatts of wind  
15 generation, fifteen megawatts of low-head hydro-electricity and five to  
16 ten megawatts of alternative renewable energy sources that receive  
17 funding from the Renewable Energy Investment Fund and that are not  
18 less than one megawatt in size, at a price that is either, at the  
19 determination of the project owner, (A) not more than the total of the  
20 comparable wholesale market price for generation plus five and one-  
21 half cents per kilowatt hour, or (B) [fifty per cent of the wholesale  
22 market electricity cost at the point at which transmission lines intersect  
23 with each other or interface with the distribution system, plus the  
24 project cost of fuel indexed to natural gas futures contracts on the New  
25 York Mercantile Exchange at the natural gas pipeline interchange  
26 located in Vermillion Parish, Louisiana that serves as the delivery  
27 point for such futures contracts, plus the fuel delivery charge for  
28 transporting fuel to the project, plus five] twelve and one-half cents per  
29 kilowatt hour adjusted for inflation. The Renewable Energy  
30 Investment Fund shall solicit offers from such projects not later than  
31 October 1, 2010. In its approval of such contracts, the department shall  
32 give preference to purchase contracts from those projects that would  
33 provide a financial benefit to ratepayers or would enhance the  
34 reliability of the electric transmission system of the state. Such projects  
35 shall be located in this state. The owner of a fuel cell project principally  
36 manufactured in this state shall be allocated all available air emissions  
37 credits and tax credits attributable to the project and no less than fifty  
38 per cent of the energy credits in the Class I renewable energy credits  
39 program established in section 16-245a attributable to the project. On  
40 and after October 1, 2007, and until September 30, 2008, such contracts  
41 shall be comprised of not less than a total, apportioned among each  
42 electric distribution company, of one hundred twenty-five megawatts;  
43 and on and after October 1, 2008, such contracts shall be comprised of  
44 not less than a total, apportioned among each electrical distribution  
45 company, of one hundred fifty megawatts. The cost of such contracts  
46 and the administrative costs for the procurement of such contracts  
47 directly incurred shall be eligible for inclusion in the adjustment to the  
48 transitional standard offer as provided in this section and any

49 subsequent rates for standard service, provided such contracts are for a  
50 period of time sufficient to provide financing for such projects, but not  
51 less than ten years, and are for projects which began operation on or  
52 after July 1, 2003. Except as provided in this subdivision, the amount  
53 from Class I renewable energy sources contracted under such contracts  
54 shall be applied to reduce the applicable Class I renewable energy  
55 source portfolio standards. For purposes of this subdivision, the  
56 department's determination of the comparable wholesale market price  
57 for generation shall be based upon a reasonable estimate. On or before  
58 September 1, 2007, the department, in consultation with the Office of  
59 Consumer Counsel and the Renewable Energy Investments Advisory  
60 Council, shall study the operation of such renewable energy contracts  
61 and report its findings and recommendations to the joint standing  
62 committee of the General Assembly having cognizance of matters  
63 relating to energy."